



**NORTH QUEENSLAND BULK PORTS CORPORATION LIMITED  
PORTS CORPORATION OF QUEENSLAND LIMITED  
MACKAY PORTS LIMITED**

**PEOPLE AND CULTURE (PAC) COMMITTEE  
CHARTER**

**1. OBJECTIVE**

The Company is a Government Owned Corporation (GOC) or a subsidiary of a GOC and is subject to the Government Owned Corporations Act 1993. The Company is also a public company incorporated under the Corporations Act 2001.

The Company's People and Culture Committee (PACC) is established to provide appropriate analysis and advice to assist the Board to discharge its employee and industrial relations responsibilities consistent with its ports sustainability objective.

The Committee does not replace or replicate established management responsibilities and delegations or the responsibilities of other executive management groups within the Company. The PACC is only empowered to make recommendations to the Board and does not have power to make decisions in its own right.

**2. TERMS OF REFERENCE**

The PACC will:

- Review the Company's people and culture policies considering:
  - their completeness;
  - their compliance with law and binding Government policy;
  - their appropriateness to encourage the alignment of employee behaviour with corporate objectives;
  - their adherence to the principles of merit and equity;
  - their impact on the Company's culture;
  - their adoption of contemporary community and employee expectations; and
  - a risk management approach to people and culture issues.
- Annually review the CEO's remuneration package and proposals by the CEO in relation to the remuneration packages of the Company's senior executives. This includes but is not limited to:
  - Forming a view if the proposed change relates to market movements;

- Compliance with binding Government policy;
- Superannuation and fringe benefits issues; and
- salary packaging options;
- Evaluate CEO and senior management performance and consider the appropriateness of performance pay schemes including the targets and criteria for assessment;
- Review the appropriateness of the Company's industrial agreements and review proposals for change considering binding Government policy and effectiveness in enhancing the achievement of the Company's objectives through its award and non-award employees;
- Consider Director and Officers liability issues and the mechanisms to mitigate risks;
- Study current industry practices in relation to employee management, remuneration and industrial relations environment as it applies to the Company and its customers;
- Review any re-organisational proposal where it entails forced redundancies or the diminishing of employee benefits;
- Review the appropriateness of succession plans;
- Evaluate or audit the Company's handling of conflict of interest issues;
- Review the appropriateness of the Company's Employment and Industrial Relations Plan;
- Review and monitor policies, strategies and plans relating to people and culture; and
- Monitor and review workplace health and safety risks.

### **3. MEMBERSHIP**

#### **Composition**

The membership of the Committee consists of at least 3 directors appointed by the NQBP Board. The NQBP Board Chairman may be appointed to the Committee but may not sit as the Committee Chairman. A quorum for the Committee is 50% or more of currently appointed members.

In making its decision, the Board will ensure that, collectively, the membership of the Committee shall possess:

- A thorough understanding of the core activities of the Company and the environment in which it operates, including its strengths, weaknesses, opportunities and threats;
- A commitment to the continual improvement of the outputs that the Company delivers and that contribute to the achievement of the Company's mission and the commitments in its SCI and Corporate Plans;
- Strong business acumen and management skills;
- A high level of understanding of best practice employee relations, industrial relations and remuneration and motivation concepts;
- A sound knowledge of the industrial relations environment in Australia including contemporary trade union objectives;
- A high level of competency in contemporary remuneration solutions and the changing expectation of the community and workforce in relation to balancing work and lifestyle issues;
- An inquiring attitude, objectivity and independence; and

- A strong, demonstrated sense of probity and ethical conduct.

To maintain independence, the membership of the Committee shall not include representatives from unions or employer organisations which either have or might seek to have coverage of the Company's employees, or the person(s) responsible for the Company's people and culture functions, although such representatives may be invited to attend Committee meetings and provide technical and other advice to the Committee.

#### **Role of PACC Chairman**

- Direct the Secretary of the Committee to organise meetings and prepare agendas. Ensure that the agenda is comprehensive and supporting papers are appropriate.
- Chair PACC meetings and ensure their effective running.
- Ensure timely reports of PACC activities (including recommendations) are provided to the Board in a clear and unambiguous manner.
- Authorise the request for information by any Committee member.

#### **Induction of New Members**

The Charter of the PACC will be supplied to new appointees as directors to the Board of the Company as part of their general induction. The PACC Chairman will personally ensure that, on appointment to the Committee, the appointee is familiar with the current Charter of the Committee and is briefed on key current issues.

#### **Professional Development**

The Committee will consider the ongoing education needs of individual members of the Committee and make recommendations to the Board as appropriate to ensure, collectively, the Committee has the skills and knowledge to perform its role.

#### **Compliance with Policy**

Each Committee member has a duty to comply with the law and binding Government and Company policies.

#### **Appointment of Secretary**

An appropriate officer will be appointed as the Secretary of the PAC Committee.

### **4. REPORTING TO THE BOARD**

The PACC will:

- Report to the Board following each of its meetings.
- Provide recommendations, opinions and bring appropriate matters to the attention of the Board.
- Provide a summary of its activities for each financial year to the Board for inclusion in the Annual Report.



**5. ADMINISTRATIVE ARRANGEMENTS**

The PACC will meet at least three times a year unless otherwise determined. Agenda papers will be prepared and distributed at least four days prior to each meeting. Minutes of each meeting will be recorded and accepted at the next meeting. The Committee Chairman is to receive the original minutes from the prior meeting for review with the agenda for the next meeting. The Committee Chairman is responsible for ensuring the minutes are an accurate record and will sign the minutes as confirmation. A copy of the Minutes of the Committee shall be provided to the Board.

**6. ACCESS TO INFORMATION AND ADVICE**

**Access to Records**

- The PACC (through its Chairman) shall be provided with all necessary access to documents, reports, records and personnel in pursuit of its mandate.
- Specific requests in this regard should be directed to the Chief Executive Officer, Board Secretary or Committee Secretary.

**Engagement of External Resources**

The PACC may engage appropriate consultants (so far as is necessary to properly fulfil its mandate), provided that any costs or commitments in doing so are reported to the next Board meeting.

**7. COMMITTEE EVALUATION**

A summary of the role and achievements of the Committee will be included in the annual report of the Company, together with a statement that the Committee has observed the terms of its Charter and had due regard to relevant legislation, relevant binding policies of the Government and Company policies, as well industrial legislation.

Annually the Board will consider the effectiveness of PACC meetings, the appropriateness of its Charter and the composition of the Committee.

**8. APPLICATION**

This Charter applies to the NQBP Group, on the basis that there will be one committee structure covering the entire NQBP Group.

**9. CHARTER REVIEW DATE**

This Charter should be reviewed by 30 June 2017.

**10. DEFINITIONS**

**NQBP:** means North Queensland Bulk Ports Corporation Limited ACN 136 880 128.

**NQBP Group:** means NQBP and its related bodies corporate including Ports Corporation of Queensland Limited ACN 126 302 994 (PCQ) and Mackay Ports Limited ACN 131 965 707 (MPL).

**Company:** means NQBP, PCQ and/or MPL, as the context requires.